GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:1431
ANSWERED ON:08.03.2002
FALL IN PRICES OF TOBACCO
K.H. MUNIYAPPA;M.H. AMBAREESH

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government are aware of the falling prices of tobacco;

(b) if so, the extent to which prices of tobacco have been declined during the last three years, yeare-wise;

(c) whether the Government have intervened through Tobacco Board to arrest the falling prices of tobacco; and

(d) if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDY)

(a) & (b): The prices of tobacco over the past few years have been fluctuating. This is illustrated by the average prices realised by the tobacco growers in Andhra Pradesh and Karnataka, which have been as follows :

Year	Andhra Pradesh Avg. Price (Rs./Kg.)	Karnataka Avg. Price (Rs./Kg.)
1998	40.12	34.47
1999	34.85	42.07
2000	32.15	55.04
2001	Crop Holiday	38.29

The auction of the Andhra Pradesh crop of the 2001-02 season has commenced recently and so far, the prices have been remunerative, averaging Rs.43.83 as on March 4, 2002.

(c) & (d): Government, through the Tobacco Board, endeavours to safeguard the interests of the farmers. The measures taken in this direction include, inter-alia, efforts to maintain demand-supply balance through regulation of production, sale of tobacco through established auction platforms and assistance in identifying export markets.